The 2008 SNA update

Task Teams and Guidance Notes

United Nations Statistics Division
Let’s recall: the three-pronged approach

**Technical research**

- [Sub/Joint] Task Teams
- Specific timeline and outputs
- Draft guidance notes:
  - Central system, supplementary tables, or satellite accounts;
  - Implementation tested through country experimentation and testing

**Broad consultation**

- Set of users including policymakers, academia and private sector representatives
- Regular regional and global consultancies
- Global user conferences on economic statistics

**Ensuring overall consistency**

- Collaborate with experts in: classifications, BPM, GFSM, MFSM, SEEA, labor, prices, agriculture, and business and trade statistics, etc.
And: the Guidance Note Life Cycle

Guidance Notes (GN) drafted by TTs

- Public/Global consultation including experimentation and testing
- TT sends GN to the committees AEG/ISWNGA, BOPCOM, etc.
- Second round review [Only if significant changes]
- Joint Endorsement
- Decision by BOPCOM for BPM6 Update
- Decision by UNSC for 2008 SNA update

Divergence

Dispute resolution
The Project – A global effort

- Contributions from over 20 countries
- Secretariat services provided by international agencies
- Experts from six statistical domains
SNA research agenda

**Technical research**: A consolidated list of SNA research issues comprising two parts:

**Part one** deals with the *priority areas* for the research:

- Globalization
- Digitalization
- Well-being and sustainability
- Cross-cutting issues
- Compilation issues

**Part two** deals with the long-term SNA research agenda

The urgency to address the issues and the feasibility of making progress
Task teams

Workstreams were launched to resolve issues related to priority areas

Workstreams are organized by Task Teams and overseen by steering committees led by country members of the AEG

ISWGNA provide secretariat

Guidance are being developed for each of the priority issues covering both conceptual and practical guidance
Task Teams: Chairs and Secretariats

Digitalization (DZTT)
- US and Indonesia
- Eurostat

Wellbeing and Sustainability (WSTT)
- Jamaica and WB
- OECD

Globalization (GZTT)
- Australia and IE
- IMF

Classifications
- tbd
- UNSD

Financial and Payments Systems (FITT)
- IMF & ECB
- IMF

Informal Economy (IETT)
- Uganda and IMF
- IMF and UNSD

Islamic Finance (IFTT)
- State of Palestine & Morocco
- IMF and UNSD

Intellectual Property Products (IPTT)
- OECD
- IMF

Communications (CMTT)
- tbd & UK
- IMF and World Bank
The Project – Broad collaboration and expertisse

- Over 300 experts across 10 Task Teams
- Cooperation
- Consistency

**Task Team Membership**

- Wellbeing: 70 Members
- Intellectual Property Products: 20 Members
- Informal Economy: 10 Members
- Globalization: 30 Members
- Financial and Payments Systems: 20 Members
- Direct Investment: 20 Members
- Digitalization: 40 Members
- Current Account: 20 Members
- Communication: 50 Members
- Balance of Payments: 30 Members

Number of Members
The Project – Over 80 issues currently being addressed

- 11 SNA issues
- 47 BPM issues
- 31 Joint SNA/BPM issues
1. Clearly **identify issues** affecting the central framework compared with those that would be addressed in *supplementary tables* or *satellite accounts*.

2. Not only the conceptual implications but also the **feasibility of implementing** the proposed conceptual solutions.

3. The practical guidance reflects on the **experimentation and testing** of the compilation issues.
Guidance notes – Digitalization

Digital SUTs
  Increasing the visibility of digitalization in the NA

Price and volume measurement of goods and services affected by digitalization
  Traditional data sources need to be updated more frequently to capture rapid changes associated with digitalization

Recording of data in the national accounts
  The value of data as an asset

Valuation of free assets and free services
  Free services have an impact ….

Crypto assets
  A lot of different terminologies, classifications and definitions are used. New crypto assets may easily emerge
Guidance notes – Digitalization

Artificial Intelligence
   Expected to have a relevant impact on the economy. There is no common definition.

Cloud computing

Digital intermediary platforms
Guidance notes – Wellbeing and Sustainability

Distributions for the household sector
  Increased granularity within the central framework; slightly adapted alternative concepts and classifications to facilitate micro-macro linkages.

Households’ unpaid service work
  Extended alternative concepts as a complement to traditional measures; new granularity in time units and demographics.

Health and social conditions
  Increased prominence of the health care sector, rethink of existing classifications and increased detail; minor conceptual adjustments; refinement of real measures.

Labour, education and human capital:
  New labour accounts in physical units, new detail on education and training, extended alternative human capital assets.
Guidance notes – Wellbeing and Sustainability

Environmental-economic accounting:

Ownership and depletion of natural resources
  Increased emphasis on new depletion-adjusted net measures, sectored according to SNA economic ownership principles.

Biological resources
  Rethink of SNA production and asset concepts, for example for cultivated assets, to better align with the SEEA.

Treatment of emissions permits
  Consideration of the atmosphere as an asset, with implications for both the SNA and the SEEA.
Guidance notes – Globalization

Valuation of Imports and Exports (CIF-FOB adjustment)
Adoption of transaction (invoice value) for the valuation of imports and exports

Treatment of MNE and Intra-MNE Flows
Recommend an ownership-based breakdown – foreign-controlled corporations and national private/public corporations which are part of domestic MNEs- in the NA

Treatment of Special Purpose Entities (SPE) and Residency
A definition of SPEs that is consistent between national accounts and external sector statistics, distinguishing separate “of which” category for foreign-controlled SPEs

Merchanting and Factoryless goods producers and recording of their transactions

Global value chains and trade in value-added

Economic ownership and recording of intellectual property products
Guidance notes – Informal Economy

Statistical framework and classification of informal economy

Measuring the informal cross-border transactions

Digitalization and the informal economy

Presentation of the IE in the system of national accounts
Guidance notes – Islamic Finance

Terminology for property income for Islamic loans, deposits and debt securities
Consider terms such as “interest and similar investment returns” or “financing and investment income” to reflect the broader concept of these returns. Nuance the SNA and BPM to reflect these returns.

Reference rates and terminology for calculating Islamic and conventional FISIM
Reflect the terms recommended in the calculation of FISIM and clarify the reference rate(s) to use to calculate it.

Statistical treatment of Islamic finance
Align the recommendations such as classification of Islamic financial instruments with functional categories of investments in external sector statistics.

Sectorization of Islamic banks with multiple activities and Islamic windows
Should Islamic banks with multiple activities be classified as deposit-taking corporations and can Islamic windows be considered as institutional units?
Guidance notes – Islamic Finance

Economic ownership of non-financial assets that are legally owned by Islamic financial corporations
   Give clear guidance on the ownership and change of ownership of non-financial assets legally owned by corporations.

Transactions, other flows and positions in Islamic insurance (takaful and retakaful)
   Align the specific business arrangements and terminologies with the concepts and terminologies in the national accounts.
Guidance notes – Communications

Terminology
Review the current macroeconomic accounting terminology and branding and identify easier to understand alternative terms and presentations with a ‘user’ focus.

Taxonomy
Develop a guidance note that proposes recommended approaches how to describe the different vintages of macroeconomic statistics.

Alignment Framework
Develop a clear and consistent framework that measures the degree of implementation and alignment with the international standards.
Guidance Note Life Cycle

1. **Guidance Note (GN) drafted by TT**
2. **Draft GNs reviewed by the committees AEG/ISWGNA, BOPCOM BPTT, etc. => Clearance**
3. **Second round review [Only if significant changes]**
4. **TT sends GN to the committees AEG/ISWGNA, BOPCOM, etc.**
5. **Joint Endorsement**
6. **Decision by BOPCOM for BPM6 Update**
7. **UNSC for 2008 SNA update**

**Global Consultation**
- Experimentation and testing

**Divergence**
- Dispute resolution
Global Consultation (GCs)

✓ Once the **GNs** are cleared by the AEG, these are **posted** on a designated website for users to access them

✓ An announcement is sent out that the **online questionnaire** is available – related to and derived from the corresponding GNs

✓ GNs will provide clear options to allows respondents to express a “justified” **preference** for one of the alternatives, or to propose an additional one in case they find none of the proposals **acceptable**

✓ The once a GN is posted, the GC will be extended for **60 days**. Once this period expires, the consultation will be considered closed, and no additional comments will be accepted
National Accounts

About the National Accounts Section

The National Accounts Section of the United Nations Statistics Division:

- Contributes to the international coordinated development and updating of the System of National Accounts (SNA); and undertakes methodological research on issues on the research agenda of the SNA in collaboration with the Intersecretariat Working Group on National Accounts (ISWGNA).

- Supports the implementation programme of the SNA by developing and updating supporting normative standards, training material and compilation guidance for the implementation of national accounts and supporting economic statistics and maintaining a knowledge base on economic statistics.

- Delivers a statistical capacity building programme for the implementation of the 2008 SNA and supporting statistics through a series of regional and interregional workshops and seminars in collaboration with the regional commissions and regional agencies and through a limited number of individual country technical assistance missions.

- Collects and disseminates annual national accounts statistics from countries and provides substantive service to the Committee on Contributions of the Fifth Committee of the United Nations on technical aspects of the elements of scale methodology for assessing the contributions to the United Nations by Member States.

Towards the 2025 SNA

The progress of the revision of the 2008 SNA

System of National Accounts (SNA)

Information on the SNA, 2008 SNA, 1993 SNA, historic versions of the SNA, etc.

ISWGNA

Information about ISWGNA activities, SNA implementation, AEG, Research agenda, etc.

Publications

List of available National Accounts Publications

Data

Information about the collection and dissemination of National Accounts data

Technical Cooperation

Information on workshops, seminars, meetings, etc.

Consultations on issues for the update of the 2008 SNA

National Accounts News

Updated 18 March 2021

We are pleased to announce the launch of the International Data Exchange database with comprehensive data on GDP and its key components, sectoral accounts, employment and population which are collected using SDMX protocols.

The Analysis of Main Aggregates, 2019 is now available for download here. The data included in the publication is also available on the AMA online database.

SNA News and Notes (Number 39/40) is now available.
Towards the 2025 SNA - Information on the process of updating the 2008 SNA

About the Updating Process
A three-pronged approach is envisaged for the update of the 2008 SNA: (a) undertaking technical research in prioritized and other national accounts; (b) engaging in a broad consultation on the issues related to the thematic areas; and (c) ensuring overall consistency with other statistical standards in the system of economic statistics. Dedicated task teams were established to undertake the technical research and draft guidance notes. For overlapping issues in the research agendas identified for the SNA, BPM, GFS, MFPSM, SEEA, ISIC and CPC etc., joint task teams were established consisting of subject matter experts from relevant Committees of Experts and other groups.

2008 SNA Update Issues
The issues to be considered for updating the 2008 SNA.

Advisory Expert Group
The Advisory Expert Group page contains all available information (agendas, papers, presentations, background information, reports, etc.) available for each of the ABS meetings.

Task Teams
- Joint Globalization Task Team (GZTT)
- Digitalization Task Team (DZTT)
- Wellbeing and Sustainability Task Team (WSST)
- Joint Communication Task Team (CMIT)
- Joint Islamic Finance Task Team (IFIT)
- Joint Informal Economy Task Team (JETT)
- Joint Financial and Payments Systems Task Team (FITT)
- BPM6 Update

Consultations
Information about consultations on current research issues.

Project Management
The Project Management page contains all documents (work programme, governance arrangements, progress reports of the project manager, reports to the UNDISC, minutes of JSWNGA meetings, etc.) relevant to the management of the update project.
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Consultations

Below is the list of consultations carried out on the 2008 SNA update issues. Detailed information and available comments for each consultation can be accessed by selecting the corresponding consultation from the list.

<table>
<thead>
<tr>
<th>Consultation</th>
<th>Posted</th>
<th>Status</th>
<th>Deadline</th>
<th>Comments</th>
<th>Report</th>
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<tr>
<td>Valuation of imports and exports</td>
<td>3/10/2021</td>
<td>Open</td>
<td>4/12/2021</td>
<td>0</td>
<td>No</td>
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<tr>
<td>FISTIM tests on maturity and default risk</td>
<td>12/13/2011</td>
<td>Open</td>
<td>6/15/2012</td>
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</tr>
</tbody>
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Valuation of imports and exports

Consultation paper:  
Onlin_Questionnaire.pdf

Supplements:  
GZTT_Valuation_Imports_Exports_Letter.pdf  
GZTT_Valuation_Imports_Exports_CIF_FOB.pdf  
GZTT_Valuation_Imports_Exports_Survey_Paper.pdf

Posted: 3/10/2021
Comment deadline: 4/12/2021
Number of comments: 0
Consultation status: Open
The number of consultations and requirements for the guidance notes.

- 35 priority research issues
- 75 potential GNs (as of April 2021)
- Clearance of most of GNs by Oct./Nov. 2021

Yet to be decided. Ideally, the total # of GNs should be reduced to the original # of issues

- All GNs need global consultation?
- Cluster or consolidate GNs

There is a lot of review coming ahead, be prepared and plan accordingly. Your inputs are crucial to make the process a success.
Guidance notes ready for global consultation

- AEG agreed that 8 guidance notes are ready for global consultation
- AEG also reviewed several guidance notes of BPM task teams and FITT
- Status:
  - 1 GN is currently under global consultation;
  - 8 GNs were approved for global consultation at 15th AEG meeting (Apr. 2021);
  - 5 GNs were posted for public consultation on the BPM update website;
  - 2 GNs are deemed to be ready for the updated BPM and SNA; and
  - 4 GNs were recently reviewed by the AEG.
Coordination of the SNA revision and the BPM update

Drafting and testing phases

- The testing phase will ideally start in 2021
- Drafting of both manuals to start in 2022
- Close-to-final decisions for adoption by the end of 2021 for the majority of the research issues
- BPM proposals/guidance notes will also be tested in parallel to the drafting phase
- Not everything needs to be tested either for the SNA or the BPM: the testing should mostly focus on significant issues requiring new institutional arrangements, data collections, statistical production structures and statistical infrastructure
- The drafting of the parts subject to testing to be addressed first
- Conceptually optimal recommendations that are nevertheless considered impractical for the long-term RA
Thank you